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SUBJECT Reply of LI Tsung-jen to Communist Four-Point Statement 25X1A6a	NO. OF PAGES 1	
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> 25X1A6a Comment. On 28 January a spokesman for the Chinese Communist Party issued a four-point statement which included demands for the re-arrest by the Nationalist Government of General OKAMURA, former commander-in-chief of the Japanese expeditionary army in China, and the arrest of leading Kuomintang "war criminals." The Communists further demanded that the "reactionary Nanking Government give a reply to the two foregoing points," and stated that "Nanking will be informed later of the preparatory work that must be carried out by both sides for other points of the eight terms.")

- 1. LI Tsung-jen made the following strong reply to the Communist demands:
 - a. To the demand for the execution of the former Japanese commander in China, LI replied that this was subject to jurisprudence and was not connected with the internal peace settlement.
 - b. To the demand for the arrest and surrender of "war criminals," LI stated that this point must be made part of the peace conference rather than a condition precedent to the conference.
 - c. To accusations of insincerity he replied that such a charge is insufficiently concrete to carry any meaning. He also warned the Communists, "We are not defeated or unable to fight, although we wish not to continue the war for the sake of the people. The Communists are winning to date but have not won the war and should not overlook possible future difficulties." LI concluded that, if the Communist command sticks to the above conditions, then peace talks are impossible and the war will continue.
- 2. Liberal intellectuals in Feiping are disheartened and feel that peace with any balance of power is impossible. These intellectuals believe that the Democratic League and the Kuomintang Revolutionary Committee under LI Chishen will not be admitted by the Communists to the People's Consultative Conference in March even as window dressing. They feel that MAO Tze-tung's statement dividing the world into two categories -- "revolutionary democratic" and "imperialistic reactionary" -- and the necessity of carrying the war to a full conclusion sound the death knell of compromise and mean a further closing of the Iron Curtain. Their assumption is that the United States will assist LI Tsung-jen militarily.

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